

TITLE VII
FOOD PROGRAMS

CHAPTER 65
FOOD ASSISTANCE PROGRAM ADMINISTRATION

[Prior to 7/1/83, Social Services[770] Ch 65]
[Prior to 2/11/87, Human Services[498]]

PREAMBLE

The basis for the food assistance program is as provided in Title 7 of the Code of Federal Regulations. The purpose of this chapter is to provide for adoption of new and amended federal regulations as they are published, to establish a legal basis for Iowa's choice of administrative options when administrative options are given to the state in federal regulations, to implement the policy changes that the United States Department of Agriculture (USDA) directs states to implement that are required by law but are not yet included in federal regulations, and to implement USDA-approved demonstration projects and waivers of federal regulations.

DIVISION I

441—65.1(234) Definitions.

“Department” means the Iowa department of human services.

“Food assistance” means benefits provided by the federal program administered through Title 7, Chapter II of the Code of Federal Regulations, Parts 270 through 283.

“Notice of expiration” means either a message printed on an application for continued program participation, Review/Recertification Eligibility Document (RRED), Form 470-2881, which is automatically issued to the household, or a hand-issued Form 470-0325, Notice of Expiration.

“Parent” means natural, legal, or stepmother or stepfather.

“Sibling” means biological, legal, step-, half-, or adoptive brother or sister.

441—65.2(234) Application.

65.2(1) Application filing. Persons in need of food assistance benefits may file an application at any local department office in Iowa or over the Internet.

a. An application is filed the day a local department office receives an application for food assistance benefits that contains the applicant's name and address and is signed by either a responsible member of the household or the household's authorized representative. The application may be filed on:

- (1) Form 470-0306 or 470-0307 (Spanish), Application for Food Assistance;
- (2) Form 470-0462 or Form 470-0466 (Spanish), Health and Financial Support Application; or
- (3) Form 470-4080 or 470-4080(S), Electronic Food Assistance Application.

b. When an application is delivered to a closed office, it will be considered received on the first day that is not a weekend or state holiday following the day that the office was last open. An electronic application is considered received on the first department workday following the date the department office received the application.

c. A household shall complete a Health and Financial Support Application when any person in the household is applying for or receiving aid through the family investment program, family medical assistance program (FMAP)-related Medicaid, or the refugee resettlement assistance programs.

d. The application is complete when a completed application form is submitted.

e. Households receiving food assistance benefits in Iowa may apply for continued participation by submitting Form 470-2881, Review/Recertification Eligibility Document.

65.2(2) *Failure to provide verification.* When a household files an initial application and the department requests additional verification, the applicant shall have ten days to provide the requested verification. If the applicant fails to provide the verification within ten days, the department may deny the application immediately. If the applicant provides the department with the requested verification prior to the thirtieth day from the date of application, the department shall reopen the case and provide benefits from the date of application. If the household provides the verification in the second 30 days after the date of the application, the department shall reopen the case and provide benefits from the date the verification was provided.

441—65.3(234) *Administration of program.* The food assistance program shall be administered in accordance with the Food Stamp Act of 1977, 7 U.S.C. 2011 et seq., and in accordance with federal regulation, Title 7, Parts 270 through 283 as amended to June 19, 2006.

A copy of the federal law and regulations may be obtained at no more than the actual cost of reproduction by contacting the Division of Financial, Health, and Work Supports, Department of Human Services, Hoover State Office Building, 1305 East Walnut Street, Des Moines, Iowa 50319-0114, (515)281-3133.

This rule is intended to implement Iowa Code section 234.12.

441—65.4(234) *Issuance.* The department shall issue food assistance benefits by electronic benefits transfer (EBT).

65.4(1) *Schedule.* Benefits for ongoing certifications shall be made available to households on a staggered basis during the first ten calendar days of each month.

65.4(2) *EBT cards.* EBT cards shall be mailed to clients.

a. Personal identification number selection. When a client receives the EBT card, the client shall call the automated response unit to select a personal identification number. The client must provide proof of identity before selecting the personal identification number.

b. Replacement of EBT cards. EBT cards shall be replaced within five business days after the client notifies the EBT customer service help desk of the need for replacement.

65.4(3) *Client training.* Written client training materials may either be mailed to clients or be handed to the clients if they visit the local office. Clients will be given in-person training upon request or if they are identified as having problems using the EBT system.

65.4(4) *Point-of-sale terminals.* Point-of-sale terminals allow clients to access food assistance benefits and retailers to redeem food sales.

a. Redemption threshold. The department will not place point-of-sale terminals with any authorized retailer with less than \$100 in monthly food assistance redemptions. Those retailers may participate through a manual voucher process described in paragraph 65.4(5) “b.”

b. Shipping. Government-supplied point-of-sale terminals may be shipped to authorized retailers along with instructions for installation of the equipment and training materials. A toll-free number is available for retailers needing assistance.

c. Replacement. The department shall ensure that government-supplied point-of-sale terminals that are not operating properly are repaired or replaced within 48 hours.

65.4(5) *Voucher processing.*

a. Emergency vouchers. Authorized retailers may use an emergency manual voucher if they cannot access the EBT host system.

(1) The client shall sign Form 470-2827, Offline Food Stamp Voucher, to authorize a debit of the household's EBT account.

(2) The retailer shall clear the manual transaction as soon as the host system becomes operational.

(3) The retailer shall receive a payment of the actual amount of the voucher, up to a maximum of \$50.

b. Manual vouchers. Authorized retailers without point-of-sale terminals and retailers whose equipment fails may use a manual voucher. If a manual voucher is used:

(1) The client shall sign Form 470-3980, Offline Food Stamp Voucher: Non Equipped Retailer (No POS), to authorize a debit of the household's EBT account.

(2) The retailer shall obtain a telephone authorization from the EBT retailer help desk before finalizing the purchase.

(3) The retailer shall clear the manual transaction within 30 days.

(4) If there are insufficient funds in the client's account when the voucher is presented, the client's account shall be debited for the amount in the account. The remainder of the amount owed shall be deducted from benefits issued for subsequent months. If the next month's allotment is less than \$50, the deduction shall not exceed \$10.

441—65.5(234) Simplified reporting.

65.5(1) Identification. All households are subject to simplified reporting requirements except:

a. Households that are exempt from periodic reporting by federal statute.

b. Households that include an able-bodied adult without dependents, as provided in 7 CFR 273.24 as amended to April 29, 2003.

65.5(2) Determination of eligibility and benefits. Eligibility and benefits for simplified reporting households shall be determined on the basis of the household's prospective income and circumstances.

65.5(3) Certification periods. Simplified reporting households shall be certified for 12 months. Households in which all members are receiving family investment program (FIP) cash assistance or family medical assistance program (FMAP)-related Medicaid shall be assigned certification periods of 12 months. However, a certification period of less than 12 months may be assigned at application or recertification to match the food assistance recertification date to the FIP or medical assistance annual review date.

65.5(4) Reporting responsibilities. Simplified reporting households shall complete and return a report form once during the certification period. Households that do not receive assistance under the family investment program shall complete Form 470-4026, 470-4026(M), or 470-4026(S), Food Assistance Interim Report. Households that also receive assistance under the family investment program may instead complete Form 470-4387, 470-4387(M), or 470-4387(S), Combined PAER/FAIR.

a. A completed report form is one that:

(1) Has all items answered;

(2) Is accompanied by verification as required in subrule 65.5(5); and

(3) Is signed and dated by a responsible household member.

b. The department shall provide a postage-paid envelope for the return of the report form.

(1) When the report form is issued in the department's regular end-of-month mailing, households approved or recertified for food assistance shall return the completed form to the local department office where the case is assigned by the fifth calendar day of the sixth month of their certification period.

(2) When the report form is not issued in the department's regular end-of-month mailing, households shall return the completed report form to the local office where the case is assigned by the seventh day after the date of the issuance of the report form.

c. Failure to return a completed report form shall result in cancellation of assistance.

d. In addition to completing the report form, simplified reporting households are required to report only if the household's total gross income exceeds 130 percent of the federal poverty level for the household size. The household must report this change within ten days of the end of the month in which the income exceeds 130 percent of the poverty level.

e. A categorically eligible household that reports income over 130 percent of the federal poverty level and that remains eligible for benefits shall not be required to make any additional report of changes.

65.5(5) *Verification submitted with report form.* Notwithstanding anything to the contrary in these rules or in federal regulations, a report form shall be considered incomplete when it is not accompanied by verification of the following changes:

a. Changes of more than \$100 per month in the amount of the household's total gross monthly earned income, as well as when earned income starts or stops.

b. Changes in the amount of the household's total gross monthly unearned income, prorated income, or annualized income when:

(1) The amount of this income changes by \$50 or more; or

(2) This income starts or stops.

65.5(6) *Additional information and verification.* A household that has submitted a completed report form shall submit, or cooperate in obtaining, additional information and verification needed to determine eligibility or benefits within ten calendar days of the department's written request. This ten days is the extended filing period.

65.5(7) *Action on reported changes.* The department shall act on all reported changes for households regardless of the household's reporting requirements.

65.5(8) *Entering or leaving simplified reporting.* When a household reports a change that makes the household subject to different reporting requirements, the change in the requirements shall be effective for the month following the month when the change is reported. If there are more than six months left in the household's certification period at the time of a change to simplified reporting, a report form shall be due before the end of the certification period. The department shall notify the household of the new reporting requirements.

65.5(9) *Reinstatement.*

a. Reinstatement of a household whose eligibility was canceled for failure to submit a completed report form shall occur only when the otherwise eligible household submits a completed report form by the end of the month the report form is due or by the end of the extended filing period, whichever is later.

b. A household that has received Form 470-1968, Notice of Cancellation, shall be notified in writing of its status every time the department receives a report form before the end of the month the report was due or the end of the extended filing period, whichever is later.

441—65.6(234) Delays in certification.

65.6(1) When by the thirtieth day after the date of application the agency cannot take any further action on the application due to the fault of the household, the agency shall give the household an additional 30 days to take the required action. The agency shall send the household a notice of pending status on the thirtieth day.

65.6(2) When there is a delay beyond 60 days from the date of application and the agency is at fault and the application is complete enough to determine eligibility, the application shall be processed. For subsequent months of certification, the agency may require a new application form to be completed when household circumstance indicates changes have occurred or will occur.

65.6(3) When there is a delay beyond 60 days from the date of application and the agency is at fault and the application is not complete enough to determine eligibility, the application shall be denied. The household shall be notified to file a new application and that it may be entitled to retroactive benefits.

441—65.7(234) Expedited service. Rescinded IAB 5/2/01, effective 6/1/01.

441—65.8(234) Deductions.

65.8(1) *Standard allowance for households with heating or air-conditioning expenses.* When a household is receiving heating or air-conditioning service for which it is required to pay all or part of the expense or receives assistance under the Low-Income Home Energy Assistance Act (LIHEAA) of 1981, the heating or air-conditioning standard shall be allowed.

a. The standard allowance for utilities which include heating or air-conditioning costs is \$276 effective March 1, 2005.

b. This allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for fuels and other utilities for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

(4) Five dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction.

65.8(2) Heating expense. Heating expense is the cost of fuel for the primary heating service normally used by the household.

65.8(3) Telephone standard. When a household is receiving a standard utility allowance under subrule 65.8(1) or 65.8(5) or is solely responsible for telephone expenses, a standard allowance shall be allowed.

a. This standard shall be \$36 effective March 1, 2005.

b. This allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for telephone service for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

65.8(4) Energy assistance payments. For purposes of prorating the low income energy assistance payments to determine if households have incurred out-of-pocket expenses for utilities, the heating period shall consist of the months from October through March.

65.8(5) Standard allowance for households without heating or air-conditioning expenses. When a household is receiving some utility service other than heating or air-conditioning for which it is responsible to pay all or part of the expense, the nonheating or air-conditioning standard shall be allowed. These utility expenses cannot be solely for telephone.

a. This standard is \$103 effective August 1, 1991.

b. Beginning October 1, 1992, this allowance shall change annually effective each October 1 using the percent increase reported in the consumer price index monthly periodical for January for electric service for the average percent increases for the prior year for all urban consumers United States city average.

(1) Any numeral after the second digit following the decimal point will be dropped in this calculation.

(2) Any decimal amount of .49 or under will be rounded down. Any decimal of .50 or more will be rounded up to the nearest dollar.

(3) The cent amount will be included when calculating the next year's increase.

(4) Five dollars will be subtracted from this amount to allow for cost neutrality necessary for the standard medical expense deduction.

65.8(6) Excluded payments. A utility expense which is reimbursed or paid by an excluded payment, including HUD or FmHA utility reimbursements, shall not be deductible.

65.8(7) Excess medical expense deduction. Notwithstanding anything to the contrary in these rules or regulations, at certification, households having a member eligible for the excess medical expense deduction shall be allowed to provide verification of expenses so that a reasonable projection of the member's medical expenses anticipated to occur during the household's certification period can be made. The household may choose to claim actual expenses or to use the standard medical expense deduction.

a. Actual medical expense.

(1) The projection may be based on available information about the member's medical condition, public or private medical insurance coverage, and current verified medical expenses.

(2) Households that choose to claim actual medical expenses shall not be required to report changes in medical expenses that were anticipated to occur during the certification period.

b. Standard medical expense.

(1) A household may choose a standard medical expense deduction of \$105 if the household incurs more than \$35 per month in medical expenses.

(2) A household that chooses the standard deduction shall not be required to report changes in medical expenses during the certification period.

c. Rescinded IAB 8/1/07, effective 10/1/07.

65.8(8) Child support payment deduction. Rescinded IAB 5/2/01, effective 6/1/01.

65.8(9) Standard deduction. Each household will receive a standard deduction from income equal to 8.31 percent of the net income limit for food assistance eligibility. No household will receive an amount less than \$134 or more than 8.31 percent of the net income limit for a household of six members.

65.8(10) Sharing utility standards. Rescinded IAB 9/4/02, effective 10/1/02.

65.8(11) Excess shelter cap. Rescinded IAB 5/2/01, effective 6/1/01.

This rule is intended to implement Iowa Code section 234.12.

441—65.9(234) Treatment centers and group living arrangements. Alcohol or drug treatment or rehabilitation centers and group living arrangements shall complete Form 470-2724, Monthly Facility Report, on a monthly basis and return the form to the local department office where the center is assigned.

441—65.10(234) Reporting changes. Households may report changes on the Change Report Form, 470-0321 or 470-0322 (Spanish). Households are supplied with this form at the time of initial certification, at the time of recertification whenever the household needs a new form, whenever a form is returned by the household, and upon request by the household.

Households which are exempt from filing a monthly report must report a change in total household gross earned income of more than \$100 per month. Households exempt from filing a monthly report must report changes in income within ten days of the date the household receives the first payment reflecting the change.

441—65.11(234) Discrimination complaint. Individuals who feel that they have been subject to discrimination may file a written complaint with the Diversity Programs Unit, Department of Human Services, Hoover State Office Building, 1305 E. Walnut Street, Des Moines, Iowa 50319-0114.

441—65.12(234) Appeals. Fair hearings and appeals are provided according to the department's rules, 441—Chapter 7.

441—65.13(234) Joint processing.

65.13(1) Joint processing withSSI. The department will handle joint processing of supplemental security income and food assistance applications by having the social security administration complete and forward food assistance applications.

65.13(2) *Joint processing with public assistance.* The department shall jointly process public assistance and food assistance applications.

65.13(3) *Single interview for assistance.* In joint processing of public assistance and food assistance applications, the department shall conduct a single interview at initial application for both purposes.

441—65.14(234) Rescinded, effective 10/1/83.

441—65.15(234) *Proration of benefits.* Benefits shall be prorated using a 30-day month. This rule is intended to implement Iowa Code section 234.12.

441—65.16(234) *Complaint system.* Clients wishing to file a formal written complaint concerning the food assistance program may submit Form 470-0323, or 470-0327 (Spanish), Food Assistance Complaint, to the office of field support. Department staff shall encourage clients to use the form.

441—65.17(234) *Involvement in a strike.* An individual is not involved in a strike at the individual's place of employment when the individual is not picketing and does not intend to picket during the course of the dispute, does not draw strike pay, and provides a signed statement that the individual is willing and ready to return to work but does not want to cross the picket line solely because of the risk of personal injury or death or trauma from harassment. The service area manager shall determine whether such a risk to the individual's physical or emotional well-being exists.

441—65.18(234) Rescinded, effective 8/1/86.

441—65.19(234) *Monthly reporting/retrospective budgeting.* This rule is effective only until the transition to simplified reporting is complete.

65.19(1) *Budgeting cycle.* Retrospective budgeting will base benefit calculation on the budget month which is the second calendar month preceding the issuance month.

65.19(2) *Reporting responsibilities of monthly reporting households.*

a. The department will supply the Public Assistance Eligibility Report, Form 470-0454 (computer issued), 470-0455 (manually issued), or 470-3719 (Spanish, manually issued) to the recipient as needed or requested. The department shall provide a postage-paid envelope for return of the Public Assistance Eligibility Report.

b. Households shall return the completed form to the local department office where the case is assigned by the fifth calendar day of the month which precedes the issuance month, when the form was issued in the department's regular end-of-month mailing. Households shall return the completed form to the local department office where the case is assigned by the seventh day after the date of the issuance of the form when the form was not issued in the department's regular end-of-month mailing.

c. Failure to return a completed form shall result in cancellation of assistance. A completed form is a form with all items answered, accompanied by verification as required in 65.19(14), and signed and dated by a responsible household member on or after the last day of the budget month. When the Public Assistance Eligibility Report is used and a person in the household is also required to report monthly for another public assistance program, the form shall also be signed by all individuals required to sign for that program to be considered complete.

65.19(3) *Determination of eligibility.* Eligibility will be determined on the basis of the household's prospective income and circumstances.

65.19(4) *Public assistance income.* The department shall consider family investment program and refugee cash assistance grants authorized for the issuance month in determining the household's eligibility and benefit level. The department shall count adjustive or corrective public assistance payments retrospectively.

65.19(5) *Suspension.* Suspension is not limited to households with a periodic increase in recurring income. Suspension may not occur for two consecutive months.

65.19(6) *Households required to submit monthly reports.* The following households must return monthly reports, unless exempted by federal regulation:

- a. Households required to submit family investment program monthly reports.
- b. Households with one or more members who have a recent work history.
- c. Households with one or more members receiving countable unearned income which is not constant except when one or more of the following apply:
 - (1) The income is from job insurance benefits.
 - (2) The income is from educational income such as grants, scholarships, educational loans, fellowships or veterans' educational benefits.
 - (3) The income is from interest.
 - (4) The income is from occasional general assistance payments.
- d. Households with one or more members receiving countable earned income except when one or more of the following apply:
 - (1) The earned income of each person is \$75 or less per month.
 - (2) The earned income is annualized self-employment income.
 - (3) The only source of earned income of a person receiving Supplemental Security Income (SSI) or Social Security Disability is from a sheltered workshop program.

65.19(7) *Entering or leaving monthly reporting or a budgeting method due to a change in status.* Notwithstanding anything to the contrary in these rules or regulations, a monthly report will be required for the budget month after the month the household reported a status change. Retrospective budgeting will begin in the month after the household reported the status change.

The department shall notify households who become exempt from monthly reporting within ten days of the date the department becomes aware of the change. This notification shall inform the household that they no longer have to file future monthly reports and will tell them when the change in budgeting, if any, will occur. Prospective budgeting will begin the first issuance month the client does not submit a monthly report.

The department shall change the budgeting method of households who must report changes in ten days no later than the next month following the ten-day period for the worker to act and timely notice requirements.

65.19(8) *Prospective beginning months.* The department shall calculate benefits for eligible households prospectively for the two beginning months. When a household has applied for assistance from the family investment program or the refugee resettlement cash assistance program, and for food assistance benefits using Form 470-0462 or 470-0466 (Spanish), Health and Financial Support Application, the department shall allow a third food assistance beginning month. The department shall allow a third beginning month when the public assistance program's first "initial month" is the same calendar month as the second food assistance beginning month, and the third beginning month permits a simultaneous transition to retrospective budgeting.

65.19(9) *Disregarded income for the first months of retrospective budgeting.* Income considered prospectively for new household members or in the beginning months and not expected to continue shall not be considered again.

65.19(10) *Action on reported changes.* The agency will act on all reported changes for households required to submit monthly reports.

65.19(11) *Actual or converted income.* Calculation of benefits for households required to submit monthly reports will consider the actual income received or anticipated to be received in the budget month unless the income is annualized or prorated. Calculation of benefits for households not required to monthly report will use the actual or converted amount of income received on a weekly or biweekly basis for that benefit month.

65.19(12) *Mailing of notices.* All individual household notices of benefit amounts will be mailed separately from benefits.

65.19(13) *Reinstatement.* Reinstatement of the household canceled for failure to submit a complete monthly report will occur only when the otherwise eligible household submits a complete report by the end of the report month or by the extended filing date, whichever is later.

65.19(14) *Verification of income.* Notwithstanding anything to the contrary in these rules or regulations, a monthly report will be considered incomplete when it is not accompanied by verification of:

- a. Gross nonexempt earned income, including when this earned income starts or stops.
- b. Unearned income or prorated income or annualized income when this income starts, stops, or changes in amount. Verification of interest income, with a monthly report, is not required.

65.19(15) *Return of verification.* The agency will return all items of verification, submitted in the monthly reporting process, to the household.

65.19(16) *Notice regarding reinstatement.* The household which has received a Notice of Cancellation, Form 470-1968, shall be notified in writing of its status every time the department receives a monthly report form before the end of the "report month," or before the end of the extended filing period, whichever is later.

65.19(17) *Additional information and verification.* The household which has submitted a complete monthly report shall submit, or cooperate in obtaining, additional information and verification needed to determine eligibility or benefits within ten calendar days of the agency's written request.

65.19(18) *Household membership.*

a. Except for applications received during a period of time when the household was not certified to receive benefits, household membership shall be determined as it was or is anticipated to be on the first day of the issuance month. Changes in household membership occurring on or after the first day of the month which are reported during the month in which the change occurs will not be considered until the following month.

b. Except for qualified residents of a shelter for battered women and children, individuals shall not be added to the household before they are removed from another household where they were receiving benefits.

65.19(19) *Certification periods.* Households in which all members are receiving family investment program (FIP) cash assistance or family medical assistance program (FMAP)-related Medicaid will be assigned certification periods of 6 to 12 months. However, a certification period of less than 6 months may be assigned at application or recertification to match the food assistance recertification date and the public assistance review date.

Households in which one or more members are not receiving FIP cash assistance, or FMAP or FMAP-related medical assistance, and which are not required to file a monthly report will be assigned certification periods of one to six months based on the predictability of the household's circumstances except when the adult members are all 60 years of age or older with very stable income such as social security, supplemental security income, pensions or disability payments. These households shall be certified for up to 12 months.

65.19(20) *Households subject to retrospective budgeting.* Notwithstanding anything to the contrary in these rules or regulations, all households are subject to retrospective budgeting except:

- a. Migrant or seasonal farm worker households.
- b. Households whose adult members are all elderly or disabled with no earned income.
- c. Households in beginning months as outlined in subrule 65.19(8).
- d. Households in which all members are homeless individuals.
- e. Households residing on a reservation.

65.19(21) *Self-employment income for less than a year.* Notwithstanding anything to the contrary in these rules or regulations, self-employment income received over a period of less than a year shall be prorated over that period and used to calculate benefits only retrospectively. This income will be used prospectively to determine eligibility.

441—65.20(234) Notice of expiration issuance.

65.20(1) Issuance of the automated Notice of Expiration will occur with the mailing of Form 470-2881, 470-2881(M), 470-4083 (Spanish), or 470-4083(M), Review/Recertification Eligibility Document, or a hand-issued Form 470-0325, Notice of Expiration.

65.20(2) Issuance of the Notice of Expiration, Form 470-0325, will occur at the time of certification if the household is certified for one month, or for two months, and will not receive the automated Notice of Expiration.

441—65.21(234) Claims.

65.21(1) Time period. Inadvertent household error and agency error claims shall be calculated back to the month the error originally occurred to a maximum of three years prior to month of discovery of the overissuance.

65.21(2) Suspension status. Rescinded IAB 7/1/98, effective 8/5/98.

65.21(3) Application of restoration of lost benefits. Rescinded IAB 3/6/02, effective 5/1/02.

65.21(4) Demand letters. Households that have food assistance claims shall return the repayment agreement no later than 20 days after the date the demand letter is mailed.

a. For agency error and inadvertent household error, when households do not return the repayment agreement by the due date or do not timely request an appeal, allotment reduction shall occur with the first allotment issued after the expiration of the Notice of Adverse Action time period.

b. For intentional program violation, when households do not return the repayment agreement by the due date, allotment reduction shall occur with the next month's allotment.

65.21(5) Adjustments for claim repayment. A household or authorized representative may initiate a claim repayment by using benefits in an EBT account. The client or authorized representative shall complete Form 470-2574, EBT Adjustment Request, to authorize adjustments to a household's EBT account.

65.21(6) Collection of claims. Rescinded IAB 5/30/01, effective 8/1/01.

441—65.22(234) Verification.

65.22(1) Required verification.

a. Income. Households shall be required to verify income at time of application, recertification and when income is reported or when income changes with the following exceptions:

1. Households are not required to verify the public assistance grant.
2. Households are not required to verify job insurance benefits when the information is available to the department from the department of employment services.
3. Households are only required to verify interest income at the time of application and recertification.

b. Dependent care costs. Households shall be required to verify dependent care costs at the time of application and recertification and whenever a change is reported.

c. Medical expenses. Households shall be required to verify medical expenses at the time of application and whenever a change is reported. For recertification:

- (1) A household that chose to claim actual expenses must verify medical expenses.
- (2) A household that chose the standard medical expense deduction shall be required to declare only if the excess expense still exists.

d. Shelter costs. Households shall be required to verify shelter costs (other than utility expenses) at the time of application and recertification and whenever the household reports moving or a change in its shelter costs.

e. Utilities. Households eligible for a utility standard shall verify responsibility for the utility expense that makes them eligible for that standard when not previously verified, whenever the household has moved or a change in responsibility for utility expenses is reported.

f. *Telephone expense.* Rescinded IAB 5/2/01, effective 6/1/01.

g. *Child support payment deduction.* Households shall be required to verify legally obligated child support and child medical support payments made to a person outside of the food assistance household only at certification and recertification and whenever the household reports a change.

65.22(2) *Failure to verify.* When the household does not verify an expense as required, no deduction for that expense will be allowed.

65.22(3) *Special verification procedures.* Persons whose applications meet the initial criteria for error-prone cases may be subject to special verification procedures, including a second face-to-face interview and additional documentation requirements in accordance with department of inspections and appeals' rules 481—Chapter 72.

Clients are required to cooperate with the investigation division of the department of inspections and appeals in establishing eligibility factors, including attending requested interviews. Refusal to cooperate will result in denial or cancellation of the household's food assistance benefits. Once denied or terminated for refusal to cooperate, the household may reapply but shall not be determined eligible until cooperation occurs.

441—65.23(234) Prospective budgeting.

65.23(1) *Weekly or biweekly income.* The department shall convert income and deductions that occur on a weekly or biweekly basis to monthly figures using family investment program procedures.

65.23(2) *Income averaging.* The department shall average income by anticipating income fluctuations over the certification period. The number of months used to arrive at the average income should be the number of months that are representative of the anticipated income fluctuation.

441—65.24(234) Inclusion of foster children in household. Foster children living with foster parents will not be considered to be members of the food assistance household unless the household elects to include the foster children in the household. Foster care payments received for foster children not included in the household will be excluded from the income of the household receiving the payment.

441—65.25(234) Effective date of change. A food assistance change caused by, or related to, a public assistance grant change will have the same effective date as the public assistance change.

441—65.26(234) Eligible students. A student who is enrolled in an institution of higher education shall meet student eligibility criteria if the student:

1. Is employed for an average of 20 hours per week and is paid for this employment; or
2. Is self-employed for an average of 20 hours per week and receives average weekly earnings at least equal to the federal minimum wage multiplied by 20 hours.

441—65.27(234) Voluntary quit or reduction in hours of work.

65.27(1) *Applicant households.* A member of an applicant household who without good cause voluntarily quits a job or reduces hours of work to less than 30 hours weekly within 30 days before the date the household applies for benefits shall be disqualified from participating in the food assistance program according to the provisions of paragraphs 65.28(12)“a” and “b.”

65.27(2) *Participating individuals.* Participating individuals are subject to the same disqualification periods as provided under subrule 65.28(12) when the participating individuals voluntarily quit employment without good cause or voluntarily reduce hours of work to less than 30 hours per week, beginning with the month following the adverse notice period.

441—65.28(234) Work requirements.

65.28(1) *Persons required to register.* Each household member who is not exempt by subrule 65.28(2) shall be registered for employment at the time of application, and once every 12 months after initial registration, as a condition of eligibility. Registration is accomplished when the applicant signs an application form that contains a statement that all members in the household who are required to register for work are willing to register for work. This signature registers all members of that food assistance household that are required to register.

65.28(2) *Exemptions from work registration.* The following persons are exempt from the work registration requirement:

a. A person younger than 16 years of age or a person 60 years of age or older. A person aged 16 or 17 who is not a head of a household or who is attending school, or is enrolled in an employment training program on at least a half-time basis is exempt.

b. A person physically or mentally unfit for employment.

c. A household member subject to and complying with any work requirement under Title IV of the Social Security Act including mandatory PROMISE JOBS referral.

d. A parent or other household member who is responsible for the care of a dependent child under age six or an incapacitated person.

e. A person receiving unemployment compensation.

f. A regular participant in a drug addiction or alcohol treatment and rehabilitation program which is certified by the Iowa department of public health, division of substance abuse.

g. A person who is employed or self-employed and working a minimum of 30 hours weekly or receiving weekly earnings at least equal to the federal minimum wage multiplied by 30 hours.

h. A student enrolled at least half-time in any recognized school, recognized training program, or an institution of higher education (provided that students have met the requirements of federal regulation, Title 7, Part 273.5, as amended to December 31, 1986).

65.28(3) *Losing exempt status.* Persons who lose exempt status due to any change in circumstances that is subject to the reporting requirements shall register for employment when the change is reported. Persons who lose exempt status due to a change in circumstances that is not subject to the reporting requirements for that household shall register for employment no later than at the household's next recertification.

65.28(4) *Registration process.* Upon reaching a determination that an applicant or a member of the applicant's household is required to register, the pertinent work requirements, the rights and responsibilities of work-registered household members, and the consequences of failure to comply shall be explained to the applicant. A written statement of the above shall be provided to each registrant in the household. The written statement shall also be provided at recertification and when a previously exempt member or a new household member becomes subject to work registration.

Registration for all nonexempt household members required to work register is accomplished when the applicant or recipient signs an application, recertification, or reporting form containing an affirmative response to the question, "Do all members who are required to work register and participate in job search agree to do so?" or similarly worded statement.

65.28(5) *Deregistration.* Work registrants who obtain employment or otherwise become exempt from the work requirement subsequent to registration or who are no longer certified for participation are no longer considered registered.

65.28(6) *Work registrant requirements.* Work registrants shall:

a. Participate in an assigned employment and training program.

b. Respond to a request from the department or its designee for supplemental information regarding employment status or availability for work.

c. Report to an employer to whom referred by the department or its designee if the potential employment meets the suitability requirements described in subrule 65.28(15).

d. Accept a bona fide offer of suitable employment at a wage not less than the federal minimum wage.

65.28(7) *Employment and training programs.* Persons required to register for work and not exempted by subrule 65.28(9) from placement in a component shall be subject to employment and training requirements. If all nonexempt mandatory registrants cannot be served because minimum federal participation standards have been met, registrants will be randomly selected for referral up to the minimum standard. Requirements may vary among participants.

The department or its designee shall serve as the provider of employment and training services for nonexempt registrants.

The department or its designee can require participants to engage in vocational testing activities when deemed necessary.

Participants shall report for all scheduled employment interviews and accept bona fide offers of suitable employment as defined in subrule 65.28(15).

Participants who, for any reason, are absent from any scheduled employment and training appointment shall be required to reschedule a like appointment. Absence includes missing more than 30 minutes of a scheduled appointment.

65.28(8) *Employment and training components.* Employment and training components include individual job search, job club, educational services (GED/ABE/ESL), and Workforce Investment Act of 1998 (WIA) activities. The department shall offer employment and training components in counties having a monthly average of 500 or more mandatory work registrants. The department shall offer components in additional counties subject to the availability of sufficient state and federal funding to cover program costs. Availability of components may vary among the areas where employment and training is offered.

a. Job club. The employment and training job club shall be modeled after the family investment program's PROMISE JOBS job club. Employment and training service provider staff may require a participant who, for any reason, is absent during the classroom portion of job club to repeat the entire period of classroom training. Additional allowances as provided for by subrule 65.28(11) shall not be paid to these individuals.

Each job club participant shall be required to read and sign Form 62-2053, Your Rights and Responsibilities, acknowledging that a complete explanation of the program and what constitutes noncompliance and the sanctions for noncompliance has been provided.

b. Educational services (GED/ABE/ESL). Persons referred to the job club component may elect to be referred to the educational services program. Educational services offered include General Educational Development (GED), Adult Basic Education (ABE), or English as a Second Language (ESL).

(1) The employment and training service provider shall individually assess persons requesting referral to this program. If it is determined that obtaining educational services would directly enhance the person's likelihood of obtaining employment, the employment and training service provider shall refer the person to this program subject to available funds.

(2) Participation in the educational services program for eight consecutive weeks is equivalent to participation in two four-week employment and training components.

(3) The employment and training service provider shall assign to the job club component persons who fail to begin or to continue the educational program during the two four-week components.

c. Workforce Investment Act of 1998 (WIA). Persons electing to participate in and selected for participation in WIA are participating in an employment and training component.

d. Individual job search (IJS). Participants in IJS shall receive information about the program. At a minimum, the orientation shall include an explanation of services provided, of participation requirements, and of each participant's rights and responsibilities. Employment services staff shall require each participant to read and sign Form 62-2053, Your Rights and Responsibilities, at the conclusion of the presentation, acknowledging that a complete explanation of the program and what constitutes noncompliance and the sanctions for noncompliance has been provided.

Employment services staff shall give each participant a job search assignment. Employment services staff shall require the participant to contact up to 24 employers, face-to-face, for the purpose of submitting employment applications and arranging for employment interviews. To qualify as a job contact, the participants must present themselves to prospective employers as available for work.

The prospective employer must ordinarily employ persons in areas of work for which the applicant is reasonably qualified based on the participant's skills, prior work experience and level of education. The participant may not contact the same employer more than once during the component unless the initial contact indicated that vacancies in suitable positions might soon exist. Employment services staff shall require each participant to submit written documentation of employer contacts made using Form 60-0259, Job Service Work Search Record. The participant shall provide documentation in person to employment services staff at a scheduled meeting at the conclusion of the four-week participation period. At the beginning of the period, employment services staff shall give each participant written notice of the time, date, and location of this meeting.

65.28(9) Exemptions from employment and training programs. The department may exempt certain individuals and categories of individuals from employment and training participation. Exempt status of individuals shall be reviewed at recertification to determine if the exemption is still valid. Exempt classifications include:

- a. Pregnant women in the second or third trimester of pregnancy. Department staff are authorized to require medical documentation.
- b. Strikers and persons who are unemployed because of lockout.
- c. Persons who are laid off or temporarily unemployed and expect to be recalled within the next 90 days (job attached).
- d. Rescinded IAB 12/13/89, effective 2/1/90.
- e. Persons with no mailing address available other than general delivery.
- f. Victims of spouse abuse receiving employment-related services from a shelter for battered women or other spousal abuse organization.
- g. Persons who have accepted a job that will exempt them and that will begin within 60 days. The person shall provide verification that a legitimate job offer and acceptance has been made.
- h. Rescinded IAB 3/6/02, effective 5/1/02.
- i. Rescinded IAB 12/13/89, effective 2/1/90.
- j. Mandatory work registrants who are employed 60 or more hours per month.
- k. Persons whose daily commuting time exceeds two hours per day, not including the transporting of a child to and from a child care facility, or the distance to the component site prohibits walking and neither public nor private transportation is available to transport the person.
- l. Persons who are assigned to a job or training component, but who do not commence the component and are determined to have good cause as defined in subrule 65.28(17), may be considered exempted if the reason for good cause will last for 60 days or longer. When the reason for the exemption is no longer applicable, the person may be placed in a component.

65.28(10) Time spent in an employment and training program. A participant may be placed in two different components from October 1 through September 30.

The total hours of participation for any household member individually in any month together with any hours worked for compensation (in cash or in kind) shall not exceed 120.

65.28(11) Participation allowance and dependent care reimbursements.

- a. The department shall provide participants in employment and training programs an allowance for costs of transportation or other costs (other than dependent care costs) reasonably necessary and directly related to participation in the components of a minimum of \$25 to a maximum of \$50 for each four-week component in which the participant is placed. The amount of the allowance is dependent on sufficient state and federal funding to cover the costs.

EXCEPTION: Participation in WIA (65.28(8), paragraph “c”) does not entitle the person to a participation allowance. The department shall authorize the employment and training service provider to provide the allowance on the first day of each component in which the person participates. The department shall authorize the employment and training service provider to provide the allowance only once per component in each federal fiscal year. Participation in educational services (65.28(8), paragraph “b”) is considered participation in two consecutive four-week components.

b. The department shall authorize the employment and training service provider to reimburse the provider of care directly for the actual costs of dependent care expenses that the employment and training service provider determines to be necessary for the participation of a person in the components. Reimbursement shall not exceed \$200 for each child under two years of age and \$175 for each other dependent per four-week component. The employment and training service provider shall only reimburse a person not included in the food assistance household. The employment and training service provider shall only reimburse participants in the IJS component during the regular school term to the extent that the contacts required in this component cannot be made while dependent children who attend school are in school. The employment and training service provider shall defer a person from participation in a component if the dependent care expenses exceed the dependent care reimbursement. Deferment shall continue until a suitable component is available or circumstances change and monthly dependent care expenses no longer exceed the reimbursement amount. Reimbursement is dependent on sufficient state and federal funding to cover the costs.

EXCEPTION: The caretaker relative of a dependent in a family receiving FIP is not eligible for the dependent care reimbursement. Participation in WIA (65.28(8), paragraph “c”) does not entitle the person to a dependent care reimbursement. The department shall authorize the employment and training service provider to provide the reimbursement after the last day of each component in which the person participates upon presentation of proof of the expense incurred and hours of care for each dependent. The department shall authorize the employment and training service provider to provide reimbursement only once per component in each federal fiscal year. Participation in educational services (65.28(8), paragraph “b”) is considered participation in two consecutive four-week components.

65.28(12) Failure to comply. This subrule does not apply to persons electing to participate in the employment and training components of educational services and WIA (see paragraphs 65.28(8) “b” and “c”).

a. When a person has refused or failed without good cause to comply with the work registration or employment and training requirements in this rule, that person shall be ineligible to participate in the food assistance program as follows:

(1) First violation: The later of (1) the date the individual complies with the requirement; or (2) two months.

(2) Second violation: The later of (1) the date the individual complies with the requirement; or (2) three months.

(3) Third and subsequent violations: The later of (1) the date the individual complies with the requirement; or (2) six months.

b. The disqualification period shall begin with the first month following the expiration of the adverse notice period, unless a fair hearing is requested.

c. Participants shall be notified of probation status in writing. Probation shall last for the duration of the component. In addition to other work requirements in this chapter, employment and training participants are subject to the following specific requirements:

(1) Participants who are absent without good cause shall be placed on probation. A second absence without good cause shall result in disqualification.

(2) Participants who are absent without good cause at the time they are scheduled to present their job search documentation shall be disqualified.

(3) Participants who fail to make the required number of employer contacts without good cause shall be disqualified. Participants who fail to complete the required number of job contacts with good cause shall be excused from completion of the job search requirements for that component.

(4) Participants who exhibit disruptive behavior shall be placed on probation; a second offense shall result in disqualification. Disruptive behavior means the participant hinders the performance of other participants or staff, refuses to follow instructions, or uses abusive language.

(5) Participants will be allowed an additional two weeks to make up employer contacts which have been disallowed by employment services. Qualifying job contacts are defined in paragraph 65.28(8) "e." Failure to make up employer contacts will result in disqualification. Employment services will disallow employer contacts when it has been determined that the participant failed to make a face-to-face contact or the requirements of the job applied for far exceed the applicant's level of experience, education, or abilities.

(6) Participants who make physical threats to other participants or staff shall be disqualified.

65.28(13) *Noncompliance with comparable requirements.* The department shall treat failure to comply with an unemployment compensation requirement that is comparable to a food assistance work registration or employment and training requirement as a failure to comply with the corresponding food assistance requirement. Disqualification procedures in subrule 65.28(12) shall be followed.

65.28(14) *Ending disqualification.* Following the end of the disqualification periods for noncompliance and as provided in rules 441—65.27(234) and 441—65.28(234), participation may resume.

a. An applicant disqualified under subrule 65.27(1) may be approved for benefits after serving the minimum disqualification period and complying with the work requirement, as follows:

(1) If the applicant voluntarily quit a job, the applicant must obtain a job comparable to the one that the applicant quit.

(2) If the applicant voluntarily reduced hours of employment to less than 30 hours per week, the applicant must start working 30 or more hours per week.

b. A disqualified individual who is a member of a currently participating eligible household shall be added to the household after the minimum disqualification period has been served and the person has complied with the failed requirement as follows:

(1) If the member failed or refused to register for work with the department, the member complies by registering.

(2) If the member failed or refused to respond to a request from the department or its designee requiring supplemental information regarding employment status or availability for work, the member must comply with the request.

(3) If the member failed or refused to report to an employer to whom referred, the member must report to that employer if work is still available or report to another employer to whom referred.

(4) If the member failed or refused to accept a bona fide offer of suitable employment to which referred, the member must accept the employment if still available to the participant, or secure other employment which yields earnings per week equivalent to the refused job, or secure any other employment of at least 30 hours per week or secure employment of less than 30 hours per week but with weekly earnings equal to the federal minimum wage multiplied by 30 hours.

(5) If the member failed or refused to attend a scheduled employment and training interview, the member must arrange and attend a scheduled interview.

(6) If the member failed or refused to participate in instruction, training or testing activities, the member must participate in the activities.

(7) If the member failed or refused to complete assigned job search requirements, the member must complete the job search requirements.

(8) Rescinded IAB 2/9/00, effective 4/1/00.

(9) If the member voluntarily quit a job, the individual must obtain a job comparable to the one quit.

(10) If the member voluntarily reduced hours of employment to less than 30 hours per week, the individual must start working 30 or more hours per week.

c. An individual may reestablish eligibility during a disqualification period by becoming exempt from the work requirement as provided in subrule 65.28(2).

65.28(15) *Suitable employment.* Employment shall be considered unsuitable if:

a. The wage offered is less than the highest of the applicable federal minimum wage, the applicable state minimum wage, or 80 percent of the federal minimum wage if neither the federal nor state minimum wage is applicable.

b. The employment offered is on a piece-rate basis and the average hourly yield the employee can reasonably be expected to earn is less than the applicable hourly wages specified in paragraph “a” above.

c. The household member, as a condition of employment or continuing employment, is required to join, resign from, or refrain from joining a legitimate labor organization.

d. The work offered is at a site subject to a strike or lockout at the time of the offer unless the strike has been enjoined under Section 208 of the Labor-Management Relations Act (29 U.S.C. 78A) (commonly known as the Taft-Hartley Act), or unless an injunction has been issued under Section 10 of the Railway Labor Act (45 U.S.C. 160).

e. The household member involved can demonstrate or the department otherwise becomes aware that:

(1) The degree of risk to health and safety is unreasonable.

(2) The member is physically or mentally unfit to perform the employment, as documented by medical evidence or by reliable information from other sources.

(3) The employment offered within the first 30 days of registration is not in the member’s major field of experience.

(4) The distance from the member’s home to the place of employment is unreasonable considering the expected wage and the time and cost of commuting. Employment shall not be considered suitable if daily commuting time exceeds two hours per day, not including the transporting of a child to and from a child care facility. Employment shall also not be considered suitable if the distance to the place of employment prohibits walking and neither public nor private transportation is available to transport the member to the job site.

(5) The working hours or nature of the employment interferes with the member’s religious observances, convictions, or beliefs.

65.28(16) *Applicants for supplemental security income (SSI) and food assistance.* Household members who are jointly applying for SSI and for food assistance shall have the requirements for work registration waived until:

a. They are determined eligible for SSI and thereby become exempt from work registration, or

b. They are determined ineligible for SSI whereupon a determination of work registration status will be made.

65.28(17) *Determining good cause.* The department or its designee shall determine whether good cause exists for failure to comply with the work registration, employment and training, and voluntary quit requirements in 441—Chapter 65. In determining whether good cause exists, the facts and circumstances shall be considered, including information submitted by the household member involved and the employer.

Good cause shall include circumstances beyond the member’s control, such as, but not limited to, illness of the registrant or of another household member requiring the presence of the registrant, a household emergency, the unavailability of transportation, or the lack of adequate child care for children who have reached age 6 but are under age 12.

65.28(18) *Measuring the three-year period for able-bodied nonexempt adults without dependents.* The three-year period as provided for in federal regulations at 7 CFR 273.24 as amended to June 19, 2002, starts on December 1, 2002, and ends November 30, 2005. Subsequent three-year periods start with the month of December following the end of the previous period.

65.28(19) Exemption from the work requirement for able-bodied adults without dependents (ABAWDs). All ABAWDs shall be exempt from the work requirement provisions of the federal regulations at 7 CFR 273.24, as amended to June 19, 2002, for the month of December 2002.

441—65.29(234) Income.

65.29(1) Uneven proration of self-employment income. Once a household with self-employment income is determined eligible based on its monthly net self-employment income, the household has the following options for computation of the benefit level:

- a. Using the same net monthly self-employment income which was used to determine eligibility, or
- b. Unevenly prorating the household's annual self-employment income over the period for which the household's self-employment income was averaged to more closely approximate the time when the income is actually received. If this option is chosen, the self-employment income assigned in any month together with other income and deductions at the time of certification cannot result in the household's exceeding the maximum monthly net income eligibility standards for the household's size.

65.29(2) Job insurance benefits. When the department of human services uses information provided by the department of workforce development to verify job insurance benefits, the benefits shall be considered received the second day after the date that the check was mailed. When the second day falls on a Sunday or federal legal holiday, the time shall be extended to the next mail delivery day.

When the client notifies the agency that the amount of job insurance benefits used is incorrect, the client shall be allowed to verify the discrepancy. A benefit adjustment shall be made when indicated. The client must report the discrepancy before the benefit month or within ten days of the date on the Notice of Decision, Form 470-0485, 470-0486, or 470-0486(S), applicable to the benefit month, whichever is later, in order to receive corrected benefits.

65.29(3) Exclusion of income from 2000 census employment. Rescinded IAB 9/4/02, effective 10/1/02.

65.29(4) Interest income for retrospectively budgeted cases. Prorate interest income by dividing the amount anticipated during the certification period by the number of months in the certification period.

65.29(5) Social security plans for achieving self-support (PASS). Notwithstanding anything to the contrary in these rules or regulations, exclude income amounts necessary for fulfillment of a plan for achieving self-support (PASS) under Title XVI of the Social Security Act.

65.29(6) Student income. In determining eligibility, the department shall exclude educational income, including any educational loans on which payment is deferred, grants, scholarships, fellowships, veterans' educational benefits, and the like excluded under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

a. Notwithstanding anything to the contrary in these rules or regulations, the department shall exclude educational income based on amounts earmarked by the institution, school, program, or other grantor as made available for the specific costs of tuition, mandatory fees, books, supplies, transportation and miscellaneous personal expenses (other than living expenses).

b. If the institution, school, program, or other grantor does not earmark amounts made available for the allowable costs involved, students shall receive an exclusion from educational income for educational assistance verified by the student as used for the allowable costs involved. Students can also verify the allowable costs involved when amounts earmarked are less than amounts that would be excluded by a strict earmarking policy.

c. For the purpose of this rule, mandatory fees include the rental or purchase of equipment, materials and supplies related to the course of study involved.

65.29(7) Elementary and high school student income. Rescinded IAB 5/2/01, effective 6/1/01.

65.29(8) Vendor payments. Rescinded IAB 5/2/01, effective 6/1/01.

65.29(9) HUD or FmHA utility reimbursement. Rescinded IAB 5/2/01, effective 6/1/01.

65.29(10) *Welfare reform and regular household honorarium income.* All moneys paid to a food assistance household in connection with the welfare reform demonstration longitudinal study or focus groups shall be exempted.

65.29(11) *Income of ineligible aliens.* The department shall use all but a pro-rata share of ineligible aliens' income and deductible expenses to determine eligibility and benefits of any remaining household members.

441—65.30(234) Resources.

65.30(1) *Jointly held resources.* When property is jointly held it shall be assumed that each person owns an equal share unless the intent of the persons holding the property can be otherwise established.

65.30(2) *Limit for households with a disabled person.* The resource limit for a household that includes a disabled person is \$3000.

65.30(3) *Resources of SSI and FIP household members.* Notwithstanding anything to the contrary in these rules or in federal regulations, all resources of SSI or FIP recipients are excluded. For food assistance purposes, those members' resources, if identified, cannot be included when a household's total resources are calculated.

65.30(4) *Earned income tax credits.* Notwithstanding anything to the contrary in these rules or in federal regulations, earned income tax credits (EITC) shall be excluded from consideration as a resource for 12 months from the date of receipt if:

a. The person receiving the EITC was participating in the food assistance program at the time the credits were received; and

b. The person participated in the program continuously during the 12-month period.

65.30(5) *Student income.* Exclude from resources any income excluded by subrule 65.29(6).

65.30(6) *Motor vehicles.* One motor vehicle per household shall be excluded without regard to its value. The value of remaining motor vehicles shall be determined using federal regulations at 7 CFR 273.8, as amended to April 29, 2003.

441—65.31(234) Homeless meal providers. When a local office of the department is notified that an establishment or shelter has applied to be able to accept food assistance benefits for homeless persons, staff shall obtain a written statement from the establishment or shelter. The statement must contain information on how often meals are served by the establishment or shelter, the approximate number of meals served per month, and a statement that the establishment or shelter does serve meals to homeless persons. This information must be dated and signed by a person in charge of the administration of the establishment or shelter and give the person's title or function with the establishment.

The establishment or shelter shall cooperate with agency staff in the determination of whether or not meals are served to the homeless.

441—65.32(234) Basis for food stamp allotments. Rescinded IAB 5/2/01, effective 6/1/01.

441—65.33(234) Maximum monthly dependent care deduction. Notwithstanding anything to the contrary in these rules or regulations, the maximum monthly dependent care deduction households shall be granted is \$200 for each child under two years of age and \$175 for each other dependent.

441—65.34(234) Exclusion of advance earned income tax credit payments from income. Rescinded IAB 10/30/91, effective 1/1/92.

441—65.35(234) Migrant and seasonal farm worker households. Rescinded IAB 10/30/91, effective 1/1/92.

441—65.36(234) Electronic benefit transfer (EBT) of food stamp benefits. Rescinded IAB 3/5/03, effective 5/1/03.

441—65.37(234) Eligibility of noncitizens. The following groups of aliens who are lawfully residing in the United States and are otherwise eligible are eligible for food assistance benefits:

65.37(1) Aliens who are receiving benefits or assistance for blindness or disability as specified in 7 CFR 271.2, as amended to April 6, 1994, regardless of their immigration date.

65.37(2) Aliens who have been residing in the United States for at least five years as legal permanent residents.

65.37(3) Aliens who hold one of the following statuses:

- a. A refugee admitted under Section 207 of the Immigration and Nationality Act.
- b. A Cuban or Haitian entrant admitted under Section 501(e) of the Refugee Education Assistance Act of 1980.
- c. An Amerasian immigrant admitted under Section 584 of the Foreign Operations, Export Financing and Related Program Appropriations Act.
- d. An asylee admitted under Section 208 of the Immigration and Nationality Act.
- e. An alien whose deportation or removal has been withheld under Section 243(h) or 241(b)(3) of the Immigration and Nationality Act.

65.37(4) Aliens aged 18 or under, regardless of their immigration date. The department shall exclude the income and resources of a sponsor when determining food assistance eligibility and benefits for an alien aged 18 or under.

441—65.38(234) Income deductions. Notwithstanding anything to the contrary in these rules or regulations, student households cannot receive an income deduction for dependent care expenses that were excluded from educational income.

441—65.39(234) Categorical eligibility. Notwithstanding anything to the contrary in these rules or in federal regulations, recipients of state or local general assistance (GA) programs are subject to categorical eligibility provisions of the food assistance program provided that the state or local program:

1. Has income limits at least as stringent as the food assistance gross income test; and
2. Gives assistance other than one-time emergency payments that cannot be given for more than one continuous month.

441—65.40(234) Head of the household. Rescinded IAB 8/11/99, effective 11/1/99.

441—65.41(234) Actions on changes increasing benefits. Action on changes resulting in an increase in benefits will take place after the verification is received.

441—65.42(234) Work transition period. Rescinded IAB 3/6/02, effective 5/1/02.

441—65.43(234) Household composition. Rescinded IAB 5/2/01, effective 6/1/01.

441—65.44(234) Reinstatement. The department shall reinstate assistance without a new application when the element that caused termination of a case no longer exists and eligibility can be reestablished prior to the effective date of cancellation.

441—65.45(234) Conversion to the X-PERT system. Rescinded IAB 3/6/02, effective 5/1/02.

441—65.46(234) Disqualifications. Notwithstanding anything to the contrary in these rules, food assistance program violation disqualifications for persons who are not participating in the food assistance program shall be imposed in the same manner as program violation disqualifications are imposed for persons who are participating in the food assistance program.

65.46(1) First and second violations. Notwithstanding anything to the contrary in these rules or regulations, the disqualification penalty for a first intentional program violation shall be one year except for those first violations involving a controlled substance. The disqualification penalty for a second intentional violation and any first violation involving a controlled substance shall be two years.

65.46(2) Conviction on trafficking in food assistance benefits. The penalty for any individual convicted of trafficking in food assistance benefits of \$500 or more shall be permanent disqualification.

65.46(3) Receiving or attempting to receive multiple benefits. An individual found to have made a fraudulent statement or representation with respect to identity or residency in order to receive multiple benefits shall be ineligible to participate in the food assistance program for a period of ten years.

65.46(4) Fleeing felons and probation or parole violators. Rescinded IAB 10/3/01, effective 10/1/01.

65.46(5) Conviction of trading firearms, ammunition or explosives for benefits. The penalty for any individual convicted of trading firearms, ammunition or explosives for food assistance benefits shall be permanent disqualification.

441—65.47(234) Eligibility of noncitizens. Rescinded IAB 5/2/01, effective 6/1/01.

441—65.48(234) Sponsored aliens. Rescinded IAB 5/2/01, effective 6/1/01.

441—65.49(234) Providing information to law enforcement officials. Rescinded IAB 10/3/01, effective 10/1/01.

441—65.50(234) No increase in benefits. When a household's means-tested federal, state, or local public assistance cash benefits are reduced because of a failure to perform an action required by the public assistance program, the department shall reduce the household's food assistance benefit allotment by 10 percent as provided for in federal regulations at 7 CFR 273.11(j), (k), and (l) as amended to June 1, 2001, for the duration of the other program's penalty.

441—65.51(234) State income and eligibility verification system. The department shall maintain and use an income and eligibility verification system (IEVS) as specified in 7 CFR 272.8 as amended to November 21, 2000.

441—65.52(234) Systematic alien verification for entitlements (SAVE) program. The department shall participate in the SAVE program established by the U.S. Bureau of Citizenship and Immigration Service (BCIS) as specified in 7 CFR 272.11 as amended to November 21, 2000, in order to verify the validity of documents provided by aliens applying for food assistance benefits with the central data files maintained by BCIS.

These rules are intended to implement Iowa Code section 234.12.

441—65.53 to 65.100 Reserved.

DIVISION II

[Prior to 10/13/93, 441—65.1(234) to 65.41(234)]

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